STAND. COM. REP. NO.



Honolulu, Hawaii

FEB 1 5 2022

RE: S.B. No. 2170

S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirty-First State Legislature Regular Session of 2022 State of Hawaii

Sir:

Your Committees on Energy, Economic Development, and Tourism and Government Operations, to which was referred S.B. No. 2170 entitled:

"A BILL FOR AN ACT RELATING TO TOURISM GOVERNANCE,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Require the Legislative Reference Bureau (LRB) to conduct a study that identifies and analyzes alternative tourism governance systems;
- (2) Require the study to include a solicitation of input from certain stakeholder groups;
- (3) Require an interim report to be published no later than October 1, 2024, and a final report to be submitted to the Legislature prior to the convening of the Regular Session of 2025;
- (4) Allow LRB to contract the professional services of one or more consultants to perform part or all of the study;
- (5) Allow the procurement of the professional services to be exempt from chapter 103D, Hawaii Revised Statutes, relating to the State Procurement Code; and

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(6) Appropriate moneys for the study.

Your Committees received testimony in support of this measure from Hawai'i Tourism Authority and two individuals. Your Committees received testimony in opposition to this measure from the State Procurement Office. Your Committees received comments on this measure from the Legislative Reference Bureau and Department of Budget and Finance.

Your Committees find that this measure will help the State identify any alternative governance models that would better manage tourism in Hawaii. Based on the testimony received, your Committees believe that LRB can perform the study without additional resources. According to testimony received from the State Procurement Office, government procurement that is exempt from the State Procurement Code does not have the same level of oversight, accountability, transparency, and potential cost savings than procurements that are executed pursuant to the State Procurement Code.

Accordingly, your Committees have amended this measure by removing language that:

- (1) Allows LRB to contract the professional services of consultants to perform part or all of the study;
- (2) Allows the procurement of the professional services to be exempt from chapter 103D, Hawaii Revised Statutes, relating to the State Procurement Code; and
- (3) Appropriates moneys for the study.

As affirmed by the records of votes of the members of your Committees on Energy, Economic Development, and Tourism and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2170, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2170, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committees on Energy, Economic

Chair

Development, and Tourism and Government Operations,

GLENN WAKAI

The Senate Thirty-First Legislature State of Hawaiʻi

Record of Votes Committee on Energy, Economic Development, and Tourism EET

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The Committee is reconsidering its previous decision on this measure.								
If so, then the previous decision was to:								
The Recommendation is:								
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313								
Members	Aye	Aye (WR)	Nay	Excused				
WAKAI, Glenn (C)	X							
MISALUCHA, Bennette E. (VC)								
LEE, Chris	X							
RIVIERE, Gil	<u> </u>							
FEVELLA, Kurt	×		- 					
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TOTAL	5	0	0	0				
Recommendation: Adopted Not Adopted								
Chair's or Designee's Signature:								
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^{*}Only one measure per Record of Votes

The Senate Thirty-First Legislature State of Hawaiʻi

Record of Votes Committee on Government Operations GVO

Bill / Resolution No.:*	Committee Referral: Date:							
SB2170	EET/GVD, WAM 02/09/22							
The Committee is reconsidering its previous decision on this measure.								
If so, then the previous decision was to:								
The Recommendation is:								
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313								
Members		Aye	Aye (WR)	Nay	Excused			
MORIWAKI, Sharon Y. (C)		X						
DELA CRUZ, Donovan M. (VC	C)	X						
CHANG, Stanley					X			
GABBARD, Mike		X/						
FEVELLA, Kurt		X						
			<u> </u>	-				
		11						
TOTAL		4]			
Recommendation: Adopted Not Adopted								
Chair's or Designee's Signature:								
Distribution: Original File with Committee Re	stribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy							

*Only one measure per Record of Votes